

CAT  
Insurance

WILLIAM ROCKHILL NELSON GALLERY OF ART  
ATKINS MUSEUM OF FINE ARTS  
KANSAS CITY, MISSOURI

31st March, 1975

The Honorable John Richardson, Jr.,  
Assistant Secretary for Educational  
and Cultural Affairs,  
Department of State,  
Washington, D.C. 20520

Dear Mr. Richardson,

Thank you so much for your helpful letter concerning the insurance covering the Exhibition of Archaeological Finds of the People's Republic of China during its sojourn at the Nelson Gallery-Atkins Museum.

I hope the concern of my Trustees in assuming a very heavy obligation is understandable, and your letter has completely clarified this aspect of the Exhibition.

My Trustees join me in thanking you for the attention you have given this essential matter.

Sincerely yours,

Laurence Sickman  
Director

LS:jf





DEPARTMENT OF STATE

Washington, D.C. 20520

Mr. Laurence Sickman, Director  
William Rockhill Nelson Gallery of Art  
4525 Oak Street  
Kansas City, Missouri 64111

Dear Mr. Sickman:

Reference is made to your letter of March 4, 1975, concerning the exhibition of Archaeological Finds of the People's Republic of China in the Nelson Gallery-Atkins Museum.

We concur in your view that the exhibition serves the national objectives in promoting understanding and friendship between the Chinese and the American people and it was for this reason that Congress enacted P.L. 93-287, approved May 21, 1974, authorizing the Department to enter into an indemnification agreement with the People's Republic of China against loss or damage to the objects in the exhibition.

We are extremely gratified that the Gallery has undertaken the responsibility of holding the exhibition and are appreciative of the Gallery's concern for the security of the exhibition and the Gallery's coordination on this matter with the appropriate officials of the Department of State. We note in this connection that under the agreement with the People's Republic of China of October 28, 1974, it was required that the objects be handed over to a representative of the United States Government in Toronto and that the objects be handed back in Peking by a representative of the United States Government. On November 24, 1974, in Toronto, a State Department official, pursuant to authorization, signed the transfer document for the handing over of the objects. We therefore consider that the Gallery is acting in implementation of our custodial responsibility and we are, of course, most anxious that nothing occur which gives rise to any claim on the part of the People's Republic of China.

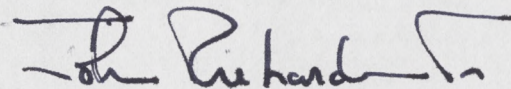
Finally, we note that it would cost in the neighborhood of \$42,000 for the Gallery to take out insurance against the possibility of the Department



going against the Gallery for any negligence of the Museum or its representatives, and that the Gallery would have to seek funds for such payment from the National Endowment for the Humanities, a Federal agency. The cost of such insurance would thus be borne by the United States Government.

In the circumstances described, it is considered appropriate and in the overall interest of the United States Government that we give assurance to the trustees of the Nelson Gallery Foundation that no claim will be made against it or its representatives as a consequences of any indemnification paid by the United States Government for loss or damage suffered by the exhibition, and we hereby give this assurance.

Sincerely yours,

A handwritten signature in dark ink, appearing to read "John Richardson, Jr.", with a stylized flourish at the end.

John Richardson, Jr.  
Assistant Secretary  
for Educational and  
Cultural Affairs



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WILLIAM ROCKHILL NELSON GALLERY OF ART

The William Rockhill Nelson Trust

ATKINS MUSEUM OF FINE ARTS

4525 OAK STREET

KANSAS CITY, MISSOURI 64111

(816) 561-4000

Office of  
LAURENCE SICKMAN  
DIRECTOR

UNIVERSITY TRUSTEES:  
MILTON MCGREEVY  
MENEFFEE D. BLACKWELL  
HERMAN R. SUTHERLAND

4th March, 1975

Ely Maurer, Esq.,  
Assistant Legal Advisor for  
Education, Culture and Public Affairs,  
Department of State,  
Washington, D.C. 20520

Dear Mr. Maurer,

As you know, the exhibition of Archaeological Finds of the People's Republic of China is scheduled to come to the Nelson Gallery-Atkins Museum with a preview opening on April 19th. We feel very strongly this exhibition serves national objectives in promoting understanding and friendship between the Chinese and the American people.

The security of the exhibition and the attendant curators is a matter of deep concern to us, and is being constantly co-ordinated with the appropriate officials of the Department of State.

While the Congress has provided for indemnification with respect to the archaeological materials entrusted to our care for the purpose of the exhibition, we at the Nelson Gallery-Atkins Museum have been advised that there still exists the possibility that the United States could go against the Gallery for any negligence on the part of its employees.

It is our understanding that all risk insurance for the duration of the exhibition here would cost in the neighborhood of \$42,000.00. We are in no way in a financial position to assume this obligation and would have to seek such payment from the National Endowment for the Humanities, a Federal agency. In consideration of the circumstances, the interest in the matter shown by Congress, and in the spirit of the legislation providing the indemnity, it would appear to be in the interest of the United States government to give adequate assurance to the Trustees of The Nelson Gallery Foundation that no claim will be made against it or its representatives so that by forgoing the payment of the insurance premium a substantial saving can be assured to a Federal agency.

Sincerely yours,

Laurence Sickman  
Director

LS:jf



OFFICE OF  
MENEFEE D. BLACKWELL  
FIVE CROWN CENTER  
2480 PERSHING ROAD  
KANSAS CITY, MISSOURI 64108

UNIVERSITY TRUSTEES  
THE WILLIAM ROCKHILL NELSON TRUST  
KANSAS CITY, MISSOURI

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MILTON MCGREEVY  
MENEFEE D. BLACKWELL  
HERMAN ROBERT SUTHERLAND

February 6, 1975

Mr. Laurence Sickman  
Nelson Gallery of Art  
4525 Oak Street  
Kansas City, Missouri 64111

Dear Larry:

Thank you for the memorandum of February 4 and the enclosed material related to the Chinese Exhibition.

This material seems silent on the question of insurance of the collection or legal liability for its safety, and I inquire what further has developed on this score.

Sincerely yours,

*Chuck*

MDB/gac.

cc: Mr. Milton McGreevy  
912 Baltimore  
Kansas City, Missouri

Mr. Herman R. Sutherland  
4000 Main Street  
Kansas City, Missouri 64111

RAINBOW BOND

REAS CONTENT



*Insurance*

UNIVERSITY TRUSTEES

THE WILLIAM ROCKHILL NELSON TRUST

KANSAS CITY, MISSOURI

OFFICE OF  
MILTON McGREEVY  
912 BALTIMORE  
KANSAS CITY, MISSOURI 64105

MILTON McGREEVY  
MENEFFEE D. BLACKWELL  
HERMAN ROBERT SUTHERLAND

January 21, 1975

Mr. Laurence Sickman  
Nelson Gallery of Art  
4525 Oak  
Kansas City, Mo. 64111

Dear Larry:

This will confirm my conversation with you yesterday that we have a problem about insurance on the Chinese Show.

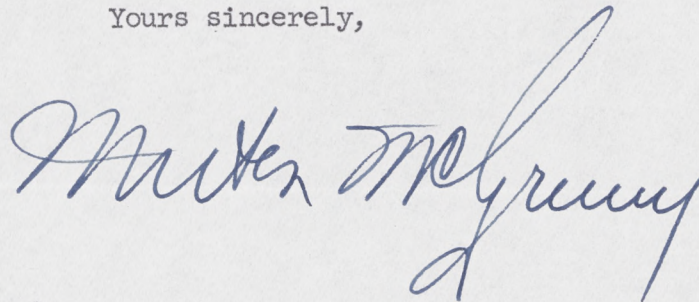
I believe it was Mr. Blackwell's thought, reflected in his letter about two months ago, that there was some way the U. S. Government could assume the insurable risks of the Chinese Show while it is in this country, both at the National Gallery, where I believe the matter has been settled, and also in transit, and at the Nelson Gallery.

I suggested you inquire from the people you have been talking with on the Show about this matter to see if there is some way the U. S. Government can help us out.

Won't you let us know about this as soon as possible as of course it is very important.

Yours sincerely,

Milton McGreevy  
mco



cc: Mr. M. D. Blackwell  
Mr. Herman R. Sutherland  
Mrs. L. Brew



CAT  
Insurance

October 17, 1974

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C

Mr. Milton McGreevy  
912 Baltimore Avenue  
Kansas City, Missouri 64105

O

Mr. Herman R. Sutherland  
4000 Main Street  
Kansas City, Missouri 64111

Dear Milton and Herman:

P

Today I had a telephone call from Mr. Ely Maurer who is Assistant Legal Advisor for Education Culture and Public Affairs in the State Department.

V

He outlined the legalities as to the Chinese Archeological Exhibition as Larry had explained them to us. The United States is to indemnify China up to \$50,000,000 for loss or destruction of the collection, such amount to be reduced to \$25,000,000 if the loss or destruction occurs because of certain calamities such as an airplane crash. We will get a copy of this in due course.

His call concerned the possible claim the United States might have against the Gallery if it performed on its obligation to China, if loss or destruction was occasioned by some negligent act at the Gallery. As concerns such a claim of the United States against the National Gallery for a negligent act there, the claim could not be enforced because federal law is construed in such a way that this would be a claim by the United States against itself, which is not enforceable. He thinks that perhaps the Nelson Gallery could be denominated an agent of the United States in some



Mr. Milton McGreevy  
Mr. Herman R. Sutherland  
October 17, 1974  
Page 2

manner as to the Archeological Exhibition so that it likewise could forego any right to recover as to it. He will discuss this with the Department of Justice and call again next week.

He inquired about the status of our own insurance. I told him I would get the details and have them available when he next called. I understand from George McKenna that the status is as set out below.

There is \$10,000,000 of coverage for the collection owned by the Trust and the Foundation for which the annual premium is \$6,196.36. On objects coming to the Gallery on loan there is a separate policy for which declaration of values are made as to each individual loan show. There are two types of coverage available.

The first type is a standard fine arts floater which is all risk coverage and for which the premium is \$.28 per \$1,000 per month. The second type insures against legal liability to others and the premium is \$.18 per \$1,000 per month.

The Exhibition will be here three months, and George and I calculate the premium for the fine arts floater for the full \$50,000,000 at \$42,000, and for the legal liability coverage at \$27,000.

There was nothing in the budgets prepared for the National Endowment for the Humanities for insurance. Unless some way can be worked out so that the United States assumes all risk, this is a cost which would have to be reckoned with.

Sincerely yours,

*Church*

MDB:1mm

cc: Mr. Laurence Sickman  
Mr. George L. McKenna  
Mrs. Leigh Brew



Insurance

Mr. Maurer has asked for a draft letter from the Kansas City Museum making the following points:

1. The Chinese Exhibition serves national objectives.
2. Security for the exhibit is being closely coordinated with the Department of State. *the museum has been advised that*
3. While Congress has provided for indemnification with respect to the Chinese, there still exists the possibility that the United States could go against the Kansas City Museum for any negligence on its part.
4. Insurance to cover the risk would cost \$42,000 which the Museum would have to seek from the National Endowment for the Humanities, a federal agency.
5. Under the circumstances and in the spirit of the legislation providing the indemnity, it would seem to be in the interest of the United States Government to give an assurance to the Museum that no claim will be made against it, thus saving the insurance premium.

2/26/75



October 25, 1974

C

Mr. Milton McGreevy  
912 Baltimore Avenue  
Kansas City, Missouri 64105

O

Mr. Herman R. Sutherland  
4000 Main Street  
Kansas City, Missouri 64111

Dear Milton and Herman:

P

Mr. Ely Maurer called again about the insurance situation as to the Chinese Archaeological Exhibition.

I gave him the information set out in my October 17 letter to you and he said he would ponder the matter, talk to the Department of Justice, and be in further touch with us.

Y

Sincerely yours,

*On 10/23*

MDB:1mm

cc: Mr. Laurence Sickman  
Mr. George L. McKenna  
Mrs. Leigh Brew